



STATE OF NEW YORK
DEPARTMENT OF HEALTH
P.O. Box 11729
Albany, NY 12211

Notice of Decision

Decision Date: April 27, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000001310

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

On January 26, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's December 20, 2014 eligibility determination.

The enclosed Decision, rendered after that hearing, is issued by the Appeals Unit of NY State of Health.

If you have questions about your Decision, you can contact us by:

- Calling the Customer Service Center at 1-855-355-5777
- Sending Mail to:
NY State of Health Appeals
P.O. Box 11729
Albany, NY 12211
- Sending a Fax to 1-855-900-5557

When contacting NY State of Health about your appeal and/or the Decision, please refer to the Appeal Identification Number at the top of this notice.

Legal Authority

We are sending you this notice in accordance with federal regulation 45 CFR § 155.545(b).

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Issue

The issue presented for review by the Appeals Unit of NY State of Health is:

Did the Marketplace properly determine that you and your family were not eligible for Medicaid effective January 1, 2015?

Procedural History

The Marketplace received your updated application for health insurance on December 19, 2014, in which you attested to an annual household income of \$41,456.00.

On December 20, 2014, the Marketplace issued a notice of eligibility determination based on your December 19, 2014 application. You and your family were found eligible, effective January 1, 2015, to enroll in a qualified health plan (QHP); eligible to receive an advance premium tax credit (APTC) of up to \$906.00 per month; and, if you selected a silver-level plan, eligible for cost-sharing reductions (CSR). You and your family were found not eligible for Medicaid.

On December 31, 2015, you spoke with the Marketplace's Account Review Unit and appealed that determination.

On January 29, 2015, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. The record was developed during the hearing and remained open as the Hearing Officer directed you to provide the following additional evidence to corroborate your testimony: (1) earning statements reflecting all income received by your spouse during the month of December

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2014, (2) earning statements reflecting all income received by your son during the month of December 2014, and (3) earning statements reflecting all income received by your daughter during the month of December 2014.

On January 29, 2015, you provided the above referenced documents to the Appeals Unit through your Marketplace account. The record is now complete and closed.

Findings of Fact

A review of the record supports the following findings of fact:

- 1) You testified that you are married and live with your spouse and your two children: your 24-year-old son and your 20-year-old daughter.
- 2) You testified that you are seeking health insurance coverage for yourself, your spouse, and your two children.
- 3) On your December 19, 2014 application, you indicated that you expected to file a 2015 U.S. Income Tax Return with your spouse and claim both of your children as dependents.
- 4) You testified during the hearing that, contrary to the information contained in your December 19, 2014 application, you no longer expected to claim your son as a dependent on your 2015 U.S. Income Tax Return.
- 5) In your December 19, 2014 application, you attested that (1) your spouse's expected 2015 income was \$32,755.00, (2) your son's expected 2015 income was \$8,701.00, and (3) your daughter's expected 2015 income was \$2,600.00.
- 6) On December 17, 2014, you provided a copy of the first page of your 2013 U.S. Income Tax Return to the Marketplace. It indicated that you and your spouse had filed jointly and claimed your two children as dependents. It also indicated that your adjusted gross income for 2013 was \$32,755.00, the bulk of which came from business earnings. No schedule C was provided.
- 7) You testified and provided a signed letter on December 17, 2014 indicating that you are currently unemployed and have been for some time.
- 8) On January 29, 2015, you provided three earnings statements issued to your spouse and indicating that he received gross pay of (1)

\$1,775.93 on December 16, 2014, (2) \$180.50 on December 23, 2014, and (3) \$1,078.33 on December 30, 2014. On the last pay stub his gross year-to-date earnings were listed as \$74,986.56. Significant deductions were made, and the net amount paid in these three checks combined was \$1,262.95. No pay stub was submitted for December 2, 2014 or December 9, 2014.

- 9) On January 29, 2015, you provided two earnings statements issued to your son by his employer. He was paid \$460.96 on December 6, 2014 and \$320.87 on December 26, 2014.
- 10) On January 29, 2015, you provided two earnings statements issued to your daughter by her employer. She was paid \$44.24 on December 16, 2014 and \$123.12 on December 30, 2014.
- 11) You testified, and your application indicates, that you live in Nassau County, New York.

Conflicting evidence, if any, was considered and found to be less credible than the evidence noted above.

Applicable Law and Regulations

Medicaid

Medicaid can be provided through the Marketplace to adults who: (1) are age 19 or older and under age 65, (2) are not pregnant, (3) are not entitled to or enrolled for Medicare benefits under part A or B of title XVIII of the Act, (4) are not otherwise eligible for and enrolled for mandatory coverage under a State's Medicaid State plan in accordance with subpart B of this part, and (5) have a household modified adjusted gross income (MAGI) that is at or below 138% of the federal poverty level (FPL) for the applicable family size (42 CFR § 435.119(b), 42 CFR § 435.911(b)(1), 42 CFR § 435.603(d)(4)), N.Y. Soc. Serv. Law § 366(1)(b)).

In an analysis of Medicaid eligibility, the determination is based on the FPL “for the applicable budget period used to determine an individual's eligibility” (42 CFR § 435.4). On the date of your application, that was the 2014 FPL, which was \$23,850.00 for a four-person household (79 Fed. Reg. 3593, 3593).

Financial eligibility for Medicaid for applicants who are not currently receiving Medicaid benefits is based on current monthly household income and family size (42 CFR § 435.603(h)(1); State Plan Amendment (SPA) 13-0055-MM3, as approved March 19, 2014).

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Income

A taxpayer's household income includes the modified adjusted gross income (MAGI) all the individuals in the taxpayer's family who are required to file a return for the taxable year (26 CFR § 1.36B-1(e)(2)).

The income of a child is not included within the MAGI-based income of an individual if the child is not required to file a tax return under 26 USC § 6012 (45 CFR § 155.300(a), 42 CFR § 435.603(d)(2)). A child whose gross income is less than the federal standard deduction applicable to them is not required to file a U.S. Income Tax return (26 USC § 6012(a)(1)). The 2015 federal standard deduction for a tax dependent with a "single" filing status is \$6,300 (IRS Publication IR-2014-104 (Oct. 30, 2014)).

Legal Analysis

The issue under appeal is whether the Marketplace properly determined that you and your family were not eligible for Medicaid.

In the application that was submitted on December 19, 2014, you attested to an expected annual income for 2015 of \$41,456.00, which included \$32,755.00 in expected earned income for your spouse and \$8,701.00 in earned income for your son.

Since your daughter's expected income for 2015 is anticipated to be \$2,600.00, which is less than the applicable federal standard deduction (\$6,300.00), her income was properly not included in your MAGI-based income. Since your son's income will be over \$6,300.00, it was properly included.

According to the record, you were in a four-person tax household, because you indicated in your December 19, 2014 application that you expected to file a 2015 U.S. Income Tax return, file jointly with your spouse, and claim your two children as dependents.

Medicaid can be provided through the Marketplace to adults between the ages of 19 and 65 who meet the non-financial requirements and have a household modified adjusted gross income (MAGI) that is at or below 138% of the federal poverty level (FPL) for the applicable family size. On the date of your application, the relevant FPL was \$23,850.00 for a four-person household. Since \$41,456.00 is 173.82% of the 2014 FPL, the Marketplace properly found you and your family ineligible for Medicaid on an expected annual income basis, using the information provided in your application.

Since the December 20, 2014 eligibility determination properly stated that, based on the information you provided to the Marketplace, you were not eligible for Medicaid based on your annual earnings, it is correct and is **AFFIRMED**.

Financial eligibility for Medicaid for applicants who are not currently receiving Medicaid benefits is based on current monthly household income and family size. To be eligible for Medicaid, you would need to meet the non-financial criteria and have an income no greater than 138% of the FPL, which is \$2,742.75 per month.

After your hearing, you submitted documents indicating that during December 2014, your spouse received gross income of at least \$3,034.76 but net income of \$1,262.95. No explanation was provided on the nature of the deductions from gross income. The three paystubs you submitted were issued on the last three Tuesdays in December. No paystubs were submitted for December 2, 2014 or December 9, 2014. On the information provided, it is not possible to determine your household income for December 2014. Therefore, it is not possible to determine whether your monthly income qualified you for Medicaid during December 2014.

On February 13, 2015, you submitted a revised application to the Marketplace in which you attested to an expected household income of \$29,000.00, removed your son from your account, and confirmed that you and your spouse intend to claim only your daughter as a dependent on your 2015 taxes. On February 14, 2015, the Marketplace issued a notice of eligibility determination on that updated application.

Decision

The Marketplace's December 20, 2014 eligibility determination is **AFFIRMED**.

Effective Date of this Decision: April 27, 2015

How this Decision Affects Your Eligibility

You and your family were not eligible for Medicaid effective January 1, 2015.

This decision has no effect on notices of eligibility determination issued by the Marketplace after December 20, 2014.

If You Disagree with this Decision (Appeal Rights)

This Decision is final unless you submit an appeal request to U.S. Department of Health and Human Services or bring a lawsuit under New York Civil Practice Law and Rules, Article 78.

You may bring a lawsuit on any Appeals Unit decision in New York State court in accordance with Article 78 of the New York Civil Practice Law and Rules. This must be done within four months after the date of the Decision Date, which appears on the first page of this Decision.

Additionally, Appeals Unit decisions on issues involving eligibility for qualified health plans, advance premium tax credits, and cost-sharing reductions may be appealed to the U.S. Department of Health and Human Services. This must be done within 30 days of the date of the Decision Date, which appears on the first page of this Decision (45 CFR § 155.520(c))

If you wish to be represented by an attorney in bringing an outside appeal and do not know how to go about getting one, you may contact legal resources available to you. You may, for example, contact the local County Bar Association, Legal Aid, or Legal Services.

If You Have Questions about this Decision (Customer Service Resources):

You can contact us in any of the following ways:

- By calling the Customer Service Center at 1-855-355-5777
- By mail at:
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P.O. Box 11729
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- By fax: 1-855-900-5557

Summary

The Marketplace's December 20, 2014 eligibility determination is **AFFIRMED**.

You and your family were not eligible for Medicaid effective January 1, 2015.

This decision has no effect on notices of eligibility determination issued by the Marketplace after December 20, 2014.

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Legal Authority

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A Copy of this Decision Has Been Provided To:

[REDACTED]
[REDACTED]
[REDACTED]